Economic
Development
and Trade

Annual Report 1986/87

Alberta

ECONOMIC DEVELOPMENT
AND TRADE

Alberta
ECONOMIC DEVELOPMENT

Office of the Minister

407 Legislature Building, Edmonton, Alberta, Canada T5K 2B6 403/427-2134

May 1988

Honourable Dr. David J. Carter
Office of the Speaker
Legislative Assembly of Alberta
Room 325, Legislature Building
Edmonton, Alberta
T5K 2B6

Dear Sir:

I have the honour to present the annual report of Alberta Economic Development and Trade for the fiscal year ended March 31, 1987.

Respectfully submitted,

Larry R. Shaben
Minister

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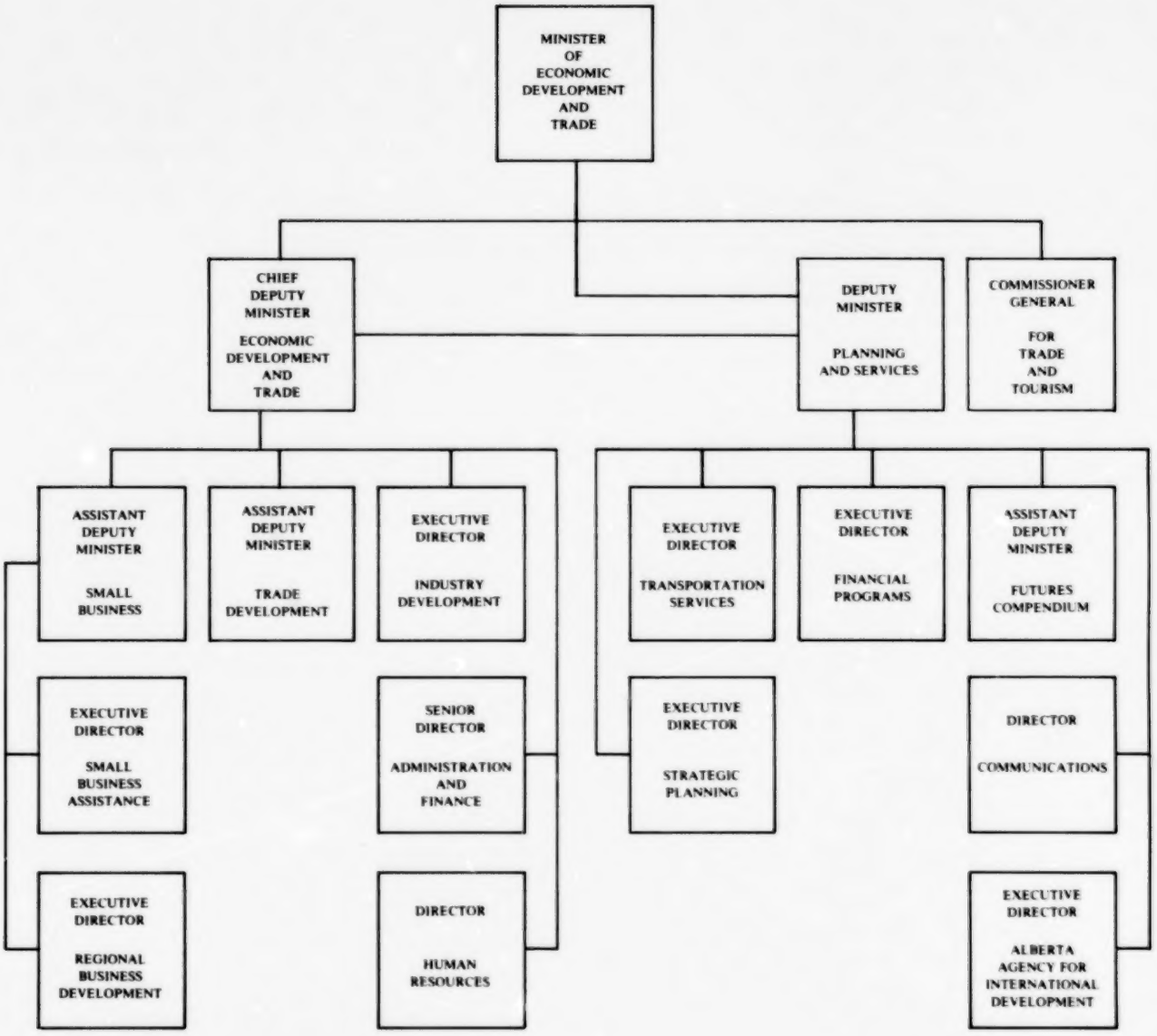

MINISTER OF ECONOMIC DEVELOPMENT AND TRADE
CHIEF DEPUTY MINISTER
ECONOMIC DEVELOPMENT AND TRADE
DEPUTY MINISTER
PLANNING AND SERVICES
COMMISSIONER GENERAL
FOR TRADE AND TOURISM
ASSISTANT DEPUTY MINISTER
SMALL BUSINESS
ASSISTANT DEPUTY MINISTER
TRADE DEVELOPMENT
EXECUTIVE DIRECTOR
INDUSTRY DEVELOPMENT
EXECUTIVE DIRECTOR
TRANSPORTATION SERVICES
EXECUTIVE DIRECTOR
FINANCIAL PROGRAMS
ASSISTANT DEPUTY MINISTER
FUTURES COMPENDIUM
EXECUTIVE DIRECTOR
SMALL BUSINESS ASSISTANCE
SENIOR DIRECTOR
ADMINISTRATION AND FINANCE
EXECUTIVE DIRECTOR
STRATEGIC PLANNING
DIRECTOR
COMMUNICATIONS
EXECUTIVE DIRECTOR
REGIONAL BUSINESS DEVELOPMENT
DIRECTOR
HUMAN RESOURCES
EXECUTIVE DIRECTOR
ALBERTA AGENCY FOR INTERNATIONAL DEVELOPMENT

Report from the Deputy Ministers

This past year has been one of change and integration. It was also the first full year for the integration of the Small Business Division, which was previously with the Department of Tourism and Small Business.

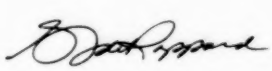
The minister, the Hon. Larry R. Shaben, brought a new focus to the department by identifying three priorities: business development, trade, and economic diversification. These priorities reflect the fact that our economic structure is made up largely of small businesses which must grow in marketing ability and in financial capability in order to identify and serve outside markets. They also reflect the need to diversify the economy, reducing our dependence on energy and agriculture, which have been our primary industries.

These new priorities resulted in the development of programs such as the Small Business Term Assistance Plan, additional trade missions to foreign countries to open new markets for private sector companies, and a more aggressive approach to creating opportunities in other industries such as aerospace, equine and fashion.

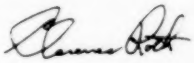
Although the 1986/87 fiscal year saw our economy again in a downturn situation, it performed beyond expectations. Progress was made in broadening the economic base in the high technology, advanced manufacturing, electronics, forestry and consumer goods areas.

Alberta has experienced a number of economic fluctuations in its history but has proved itself resilient. We feel that the worst is over. With the new priorities we look forward to providing additional catalytic support to Alberta small businesses, opening even more trade markets and diversifying the economy.

With these goals firmly established, Albertans can look forward to next year as one of continued growth.



George de Rappard
Chief Deputy Minister



Clarence J. Roth
Deputy Minister

Development and Trade

- **Trade Development Division**
- **Industry Development Division**

Trade Development Division

The division's mandate is to promote the development of export opportunities and assist Alberta companies in achieving export sales. It implements strategies and programs to increase the number of Alberta companies that are exporting and to expand the kinds of products and services that are exported. Diversification is strengthened not only by developing new industries and commercial sectors but also by penetrating new international markets for Alberta products and expertise.

Alberta Economic Development and Trade employs the following strategy for setting priority markets and in promoting industry or service sectors which appear to have the greatest potential for export growth:

- Promoting Alberta products and technologies which are competitive in price and quality in their respective markets.
- Promoting markets where Alberta products or technologies match the priority needs of a country.
- Reacting to specific opportunities arising in non-priority markets or industry sectors. In a dynamic world environment, trade opportunities are moving targets.
- Modifying program priorities and strategies to react to changing economic and trading conditions in both Canada and the foreign marketplace.
- Maintaining a close working relationship with the Alberta private sector.
- Facilitating reciprocal trade agreements and the import of products from Alberta's trading partners.

In carrying out the department's strategies, the Trade Development Division uses a variety of promotional methods:

- Incoming Delegations – The department co-ordinates itineraries for incoming foreign trade delegations and places trade representatives in contact with appropriate Alberta companies.
- Outgoing Marketing Missions – A number of outgoing marketing missions are undertaken each year to identify export prospects and maintain continuous contact with foreign nations in both the public and private sectors. Alberta companies participating in the missions have shown remarkable initiative and generated solid sales from missions. In some cases a marketing mission is headed by the Minister of Economic Development and Trade. This increases the profile of the mission and assures opportunities for marketing mission representatives to meet with key decision-makers.
- International Trade Expositions – The department supports Alberta companies in participating in international trade expositions. This has proven to be very cost-effective in presenting Alberta's products and services to foreign markets.
- International Offices – The Alberta government maintains international offices in London, Hong Kong, Tokyo, New York, Houston and Los Angeles. These offices serve a variety of roles, from identifying trade opportunities for Alberta companies to providing individual support to Alberta businessmen and outgoing sales missions.
- Financial Programs – Through loan guarantee and financial assistance programs, the department assists Alberta companies to pursue new export opportunities.

North America

Emphasis on export-assisted sales in the North America market centred on consumer and building products, oil and gas equipment, aerospace and electronics products/services and included joint ventures, licensing and agency representative agreements.

Central Canada markets provided export sales opportunities in the construction, furniture and apparel industries. This effort was reflected by the participation of 14 Alberta companies in the Innovative Housing Trade Show in Toronto.

Alberta furniture manufacturers continued to gain market share in the United States. The buoyant United States defence - and aerospace-related industries also provided opportunities for Alberta companies.

A marketing trip to Alaska identified opportunities to supply oil, gas and mining equipment. It resulted in several buyers visiting Alberta to confirm business relations.

A mini-mission to Oregon with 17 Alberta companies established trade avenues into this new market area. A return mission to Oregon is planned.

In co-operation with the Canadian Consulate office, a New Exporters to Border States (N.E.B.C.) mission to Seattle was conducted with 10 Alberta companies which were introduced to the necessary export procedures. Subsequent contacts were made to establish ongoing export sales.

Forty-six "new exporting" companies were identified and assisted with their first export endeavours by this sector.

Asia/Pacific

The Asia/Pacific area continues to be a priority trade region for Alberta companies. The dynamic economies of many countries in the region offer opportunities for a wide range of Alberta products, services and technologies.

The majority of sales were in the petroleum and natural gas technology and equipment sector. Significant advances were also made towards diversifying our exports to include telecommunications systems and equipment, forestry products, transportation equipment and information management systems.

Japan, Korea, India and Pakistan represent important markets for Alberta's exports, particularly the oil and gas sector for south Asia. A major gas pipeline project contract was signed in Malaysia. Forest products and modular homes continue to be the focus of Alberta's efforts in Japan and Korea.

The People's Republic of China continues to provide significant market opportunities for Alberta companies in the oil and gas equipment and service sector as well as telecommunications.

Chinese confidence in our petroleum sector was demonstrated by Alberta being given an exclusive mandate to develop a Petroleum Technology Exchange and Training Centre for China's petroleum industry and by Alberta companies being given top priority in the development of China's natural gas fields.

There were 42 incoming missions during the year with representatives from China, Japan, Korea, Pakistan, Bangladesh and the Association of South East Asia Nations (ASEAN) region. Six outgoing missions developed market opportunities in India, Australia, China and Thailand. Marketing missions to Singapore, New Zealand, Hong Kong, Pakistan, Sri Lanka and Bangladesh are expected to result in future sales for Alberta companies.

Europe

With changing market circumstances, partly in response to the sudden decline in the price of oil in early 1986, there has been a renewed interest in pursuing a diversified marketing strategy seeking trade opportunities in telecommunications, electronics, biomedical products/technology, computer software, aerospace, fashion and food processing.

Almost every industrialized country is attempting to develop and promote high technology industries. Belgium, West Germany, the Netherlands, Italy and Spain have been identified as priority trade markets. The future growth of trade and joint ventures will be strong for the emerging industries of Alberta.

These countries are the most willing to discuss business co-operation with our exporters.

West Germany and Austria continue to provide excellent opportunities for emerging Alberta companies interested in technology transfer agreements, joint-venture manufacturing and co-operative work in third markets.

During 1986/87 the Western Europe sector continued to develop and maintain petroleum industry contacts in such countries as West Germany, Norway, Italy and the United Kingdom, as this industry will always provide a substantial proportion of our export opportunities.

Sector activities during the 1986/87 fiscal year included 11 incoming buyers' missions and three outgoing trade missions. New initiatives have resulted in the establishment of excellent contacts and the identification of several market opportunities for Alberta's private sector which will continue to be pursued in the following year.

The Soviet Union has had to adjust to sharp reductions in its foreign exchange as a consesequence of lower world oil prices and therefore, imports were subject to greater scrutiny by the Soviet authorities. However, Alberta companies were successful in competing in the Soviet market. A large contract for the engineering and procurement of a gas plant and field development for the Astrakhan Project was signed.

The World Bank financed projects in Hungary to modernize its industries. This opened market opportunities for numerous Alberta companies. Some firms have already made substantial sales and many are awaiting results on their bids. The first Alberta / Hungary joint-venture manufacturing agreement was registered and has set the stage for further co-operation.

A major breakthrough was achieved in the Yugoslavian market, where Alberta oil and gas equipment companies achieved major sales. Additional oil and gas equipment and training-related sales are expected.

Marketing missions to numerous Eastern European countries were taken during the course of the year. Alberta private sector representatives were introduced to foreign ministries, ministers and other key governmental decision-makers. The Incoming Buyers Program co-ordinated field trips, plant tours and individual meetings for Alberta companies with over 35 key decision-makers from Eastern European countries, including the USSR, Finland, Bulgaria, Yugoslavia, Czechoslovakia, Romania, Hungary, Poland and East Germany. During the National Petroleum Show in Calgary and Expo '86, buyers from these countries established contacts with Alberta companies.

In addition to sector-assisted sales of manufactured goods and services to the USSR/Eastern Europe area, emphasis was placed on exportable energy-saving programs, training programs for industry and the growing importance of countertrade with Eastern Europe.

Latin America/Caribbean

Although the costs of servicing Latin America's foreign debt continued to dampen its national economies, the partial recovery of the price of oil and its stabilization has increased interest in petroleum activities. In Colombia and Ecuador, aggressive exploration and drilling programs have been initiated by Alberta oil companies which have obtained exploration rights. Natural gas production, transportation and processing increased in importance in Latin America. Policy-makers viewed this as an alternative to fuel oil which could be exported and as a raw material for expanding the petrochemical industy.

During the year, Alberta company executives participated in eight trade missions to priority countries in Latin America and the Caribbean. In each, Alberta companies were introduced to decision-makers involved in the implementation of new projects. Assistance was provided in following up on these projects and in the establishment of agents, licensing or joint-venture agreements within the particular market.

The Incoming Buyers Program has proven to be an efficient and cost-effective method of highlighting Alberta capabilities to visiting decision-makers. During the year, 16 incoming buyers' missions were undertaken from 12 countries in Latin America: Venezuela, Trinidad and Tobago, Mexico, Bolivia, Chile, Peru, Guatemala, Costa Rica, Colombia, Ecuador, Brazil and Argentina. The National Petroleum Show in Calgary was of interest to many of these visitors. This opportunity was used to schedule field trips, plant tours and company presentations to suit the individual interests of the foreign visitors. In addition, special programs were designed for seven incoming diplomatic and media visits.

The majority of assisted sales to Latin America was made in supplying equipment and technology to the energy sector. As well, bids were submitted and follow-up completed on numerous other contracts.

The development of new markets for Alberta's products and services is an important trade diversification objective. Emphasis is being placed on the export of computer systems and software applications for scientific and economic analyses and electronic control equipment. Training programs for industry are increasing in importance as a support element to high technology exports.

Middle East/Africa

Even though major oil producers in the Middle East have curtailed large capital projects due to low oil prices in 1986, countries in that region are still concentrating on plant operations and maintenance, as well as social infrastructure investments for education and health. While the governments of these oil exporting states have reduced public expenditures, they still represent substantial market opportunities. Saudi Arabia and Kuwait, for example, spent in the order of $55 billion. Turkey, Syria, Jordan, Israel and the Yemens are importers of oil and have benefited from decreased oil prices. This has provided more hard currency for purchases and projects.

Since most African countries are net importers of oil and gas, their economies have also benefited from lower oil prices. Of particular relevance to Alberta's private sector opportunities are multilateral and bilateral development assistance programs, particularly projects funded by the Canadian International Development Agency (CIDA). In oil and gas projects, Petro-Canada International Assistance Corporation (PCIAC) has provided business opportunities for Alberta companies, particularly in drilling and exploration activities in Kenya, Tanzania, Botswana and Madagascar.

The sector has primarily concentrated on Turkey, Syria, Nigeria, Madagascar, Kenya and Botswana. Assisted sales for the Middle East/Africa region included drilling services, oil and gas equipment, irrigation projects, pipeline and telecommunications consulting services.

The sector participated in 37 incoming missions and organized seven international missions, including a ministerial mission. These provided opportunities for a large number of Alberta companies to be introduced into the international marketplace or secure business they have actively been pursuing. The ministerial mission was very well received and a number of opportunities were identified in the education, agriculture, medical and oil and gas sectors.

Trade Promotion

The Trade Promotion sector uses trade shows as the medium to introduce Alberta companies and products to new markets in Canada and abroad. A comprehensive training program designed to prepare companies to take full advantage of opportunities available through trade shows has been very well received by Alberta's private sector.

Economic conditions adversely affected both the private and public sectors during the 1986/87 fiscal year. However the unit coordinated four Canadian and nine international trade shows. A total of 150 Alberta companies participated in these show exhibitions.

One example was the Festival of Canadian Fashion show in Toronto which gave 16 Alberta companies the opportunity to exhibit their products in Canada's most prestigious fashion trade show.

Export Finance

Approximately 300 Alberta businesspeople attended an evening seminar entitled "Government Support to Exporters" which highlighted this sector's information dissemination activities in the past year. An additional 50 companies attended a very successful two-day seminar, entitled "Preparing a Winning Bid", organized in co-operation with the Asian Development Bank and the Canadian Exporters' Association. Other presentations to Alberta companies and government departments focused on the services/funding offered by the United Nations Inter Agency Procurement Services Unit, Canadian International Development Agency, Canadian Commercial Corporation, Export Development Corporation and the World Bank.

The sector assisted Alberta companies working on international projects funded by the above agencies and included most sectors of the oil and gas industry including exploration, drilling, production, processing, transmission, engineering and consulting. Other major industry sectors assisted were construction, telecommunications, aerial surveying and coal development.

Program Development

This area supports education and training relating to the development of Alberta's overseas sales opportunities through direct export of training and related consulting services and the transfer of technology. One of the major training programs assisted by the department is the Alberta Summer Institute for Petroleum Industry Development (ASIPID). The 1986 summer program (June and July) was offered to 40 participants in middle and senior management/technical positions from the oil and gas industries of 19 countries.

Program Development works in conjunction with the Department of Career Development and Employment in the evaluation of applications under the Alberta International Marketing Employment Program. This program was initiated in the fall of 1985 and provides Alberta employers with up to $15,000 a year in grants (for up to two years per supported position) towards the salary costs of new positions devoted to international marketing. At the end of this fiscal year some 40 positions had been approved under this program.

The Alberta Export Achievement Awards is a special recognition program for Alberta companies which have demonstrated outstanding performance in their export activities. The Fifth Annual Alberta Export Achievement Awards was held in October 1986 at which 16 Alberta companies were honored.

During the year, several of Alberta's post-secondary institutions and private sector training agencies were assisted on specific projects and project proposals. This sector published the **Alberta Training Services Index** which provides a descriptive listing of training services relevant to technology transfer and international marketing. The index lists some 70 organizations from the private and public sectors.

Industry Development Division

The mandate of this division is to enhance the performance and diversity of the Alberta economy by assisting in the development of key sectors, including advanced manufacturing, aerospace industries, chemicals/petrochemicals/plastics/advanced materials/energy products, engineering and construction, film industry, food and consumer products, forest industries and industrial products and services. The division also works with financial institutions, venture capitalists and others in the investment community to identify opportunities for investment, growth and diversification.

It also encourages local, national and foreign investment and transfer of technology by:

- Assisting industry on such matters as site location, sources and use of financing, business planning, government (federal, provincial and municipal) regulations, services, market data and sourcing new technologies.
- Identifying manufacturing opportunities and encouraging investment and expansion into these opportunities with an emphasis on joint ventures.
- Proposing alternative development strategies that will result in the expansion of the key industry sectors.
- Implementing the government's industrial development policy.
- Promoting investment opportunities to potential investors both in and outside of Alberta.
- Providing co-ordinated and catalytic linkage between industry, investors and the financial community.
- Assisting businesses to expand by becoming aware of, and incorporating, advanced manufacturing techniques into their operations. Assisting with the commercialization of technology in Alberta.
- Providing assistance on business matters to elected officials.

Advanced Manufacturing Sector

During the 1986/87 fiscal year, this sector:

- Published the **Alberta Electronics Directory**. The directory lists Alberta electronics manufacturing companies and supporting infrastructure.
- Provided counsel and presentation material to advanced manufacturing companies, incoming missions and other groups considering setting up operations in Alberta, on developing new products and expanding operations.

Aerospace Industries Sector

During the 1986/87 fiscal year, this sector:

- Published the **Alberta Aerospace Directory**. The directory lists the names of Alberta industry manufacturers and suppliers.
- Conducted the Computer Bidding Project. This program enabled the 50 participating Alberta companies to become both aware and capable of bidding on United States Department of Defense contracts.
- Initiated the Bidnet Project to enable some 20 participating Alberta companies to address United States federal, state and local public sector markets.
- Developed a data base of major federal (Departments of National Defense and Transport) procurements and continued to notify Alberta companies of potential opportunities.
- Provided multi-level support to Alberta companies in their pursuit of federal contracts.
- Identified prime contractors with both current and potential offset obligations. Liaised closely with these companies to encourage greater sourcing in Alberta as well as to identify industrial development opportunities.
- Continued to build a higher profile for Alberta's aerospace industry through participation in Aerospace Industries Association of Canada functions and in regular discussions with both prime and subcontractors and federal government project teams.

Chemicals/Petrochemicals/ Plastics/Advanced Materials/Energy Sectors

During the 1986/87 fiscal year, these sectors:

- Pursued further petrochemical developments. NOVA, an Alberta Corporation, announced re-activation of its third ethylene plant. Novacor expanded its polyethylene facility and Dow Canada announced plans to expand the ethylene oxide/glycol and polyethylene units. Esso Chemicals commenced production of granular ammonia sulphate fertilizer.

- Assisted in the successful resolution of the feedstock pricing issue for the ethane-based petrochemical industry.

- Completed, and reviewed with companies, a major study on the ethylene-based petrochemical industry. Prospects for further investments were identified.

- Continued to work closely with major potential projects including the MPLC Magnesium Project.

- Assisted companies considering investments in Alberta by counselling companies on the areas of municipal taxation, electric power, site selection, feedstock pricing, technology and financing.

- Promoted prospects for petrochemical developments in Alberta through presentations to a conference in Saskatoon and the first World Chemical Congress held in the United States.

- Assisted a company with its plans to establish a major advanced materials facility in Alberta. Numerous companies in the plastics sector have been assisted with expansion plans and technology acquisition. Support was also provided to companies considering investments in the specialty chemicals and mineral refining areas.

Engineering and Construction Sector

During the 1986/87 fiscal year, this sector:

- Continued to assist the development and diversification of sector firms; provided counsel and information on government programs and opportunities for the development of new products and services; encouraged licensing and joint-venture agreements to enhance technology transfer to Alberta; reviewed proposals and business plans and provided recommendations to management.

- Worked with Alberta project sponsors, through the Alberta Content Policy, to identify supply "gaps" and maximize industrial benefits to Alberta. Projects totalled $15 billion including the Husky Upgrader Project.

- Continued to work with Alberta firms to assist them in providing goods and services to the Alberta government; under the Accelerated Program (now called the Fair Opportunities Program), liaised with other government departments to investigate procurement complaints and distribute index publications of Alberta firms; identified provincial and federal government source development and procurement opportunities.

- Assisted firms in pursuing opportunities outside Alberta by identifying sector capabilities to match international opportunities.

- Provided assistance to the Alberta Environmental Balancing Bureau and arranged for a start-up grant.

- Assisted the Consulting Engineers of Alberta by working closely with a study consultant to formulate recommendations for future marketing and development strategies; published the 1986 **Index of Alberta Consultant Engineers**.

Film Industry Sector

During the 1986/87 fiscal year, this sector assisted in bringing about:

- "Eastern Condor" and "Paper Marriage", two Hong Kong-produced feature films made in Edmonton and L[illegible]bridge, Alberta.
- "Vanishing Act", a United States made-for-television movie filmed in Banff and starring Elliot Gould and Margot Kidder.
- Eight one-hour U.S. television episodes of "Stingray" filmed in Calgary and vicinity.
- "Stonefox", made-for-television movie filmed in Edmonton and Kananaskis Country and starring Buddy Ebsen.
- A number of major television commercials from the United States, Britain, France, Belgium and Japan filmed at various locations in Southern Alberta.
- "Loyalties", filmed in Lac La Biche, Alberta, by Edmonton producer Anne Wheeler. It was released to critical acclaim in North America and Europe.
- Support for the Banff Television Festival which attracts delegates from around the world.
- Financial assistance for operating expenses for the Alberta Motion Picture Development Corporation, which assists Alberta film and television producers through pre-production loans.

Food and Consumer Products Sector

During the 1986/87 fiscal year, this sector:

- Encouraged proposals from the private sector for the establishment of a food park in Alberta for frozen and refrigerated food processing companies. Potential tenants and developers are currently evaluating investment options.
- Assisted McCains Foods Ltd. in the establishment of a $5-million juice plant in Calgary.
- Assisted other food and beverage companies to establish operations in Alberta. These included companies producing condiments, frozen nationality foods and a brewery; assisted in the expansion of other plants including snack foods, frozen foods and beverages.
- Assisted new manufacturing establishments in Alberta in the categories of consumer products (tapes, beverage containers) and clothing; assisted other major project investors to evaluate manufacturing opportunities.
- Facilitated a furniture sector licensing agreement between a Calgary-based manufacturer and a large European company.
- Assisted in the establishment of a furniture industry association.
- Completed consultant studies on manufacturing opportunities in the furniture and food processing sectors.
- Developed industry directories which featured Alberta-produced consumer products.

Forest Industries Sector

During the 1986/87 fiscal year, this sector:

- Assisted in the upgrading and expansion of a kraft pulp mill operated by Champion Forest Products in Hinton, Alberta.
- Assisted in the establishment of Sunshine Forest Products Ltd. in Sundre, Alberta, at the former Revelstoke site.
- Funded feasibility studies to identify opportunities for solid aspen, pine and spruce children's furniture, custom lumber drying, and pulp and paper.

- Hosted incoming missions from Japan, China, United Kingdom, Finland, Sweden, Germany, United States, the Canadian Maritimes, British Columbia and Saskatchewan.

- Arranged seminars for private industries to provide guidelines, testing standards and product approvals for numerous forest products including stressed-skin panels, drying schedules and furniture grading.

- Assisted Alberta companies investigating export markets.

- Assisted secondary forest industries in acquiring financial assistance for company expansions.

- Participated in the development of the new **Directory of Secondary Wood Using Industries in Alberta - 1986**.

Industrial Products and Services Sector

During the 1986/87 fiscal year, this sector:

- Provided information and counselling to many companies and prospects to encourage expansion, product development, joint-venture agreements and identification of new opportunities.

- Worked with Anthes (Renn) Industries Ltd. and Vertec Co. to secure a merger and acquisition of Vertec-Renn by Strathcona Resources Ltd. All jobs were preserved from the Vermilion and Renn plants with excellent growth potential.

- Provided nine Alberta manufacturers with grants totalling $250,000 under the Product Development Program. Projects included a device for the physically disabled, electronics, food equipment and industrial products.

- Assisted in the development of the **Alberta Opportunities Bulletin**, a quarterly publication listing various investment, licensing and joint-venture opportunities available within the province. Three editions have been printed with over 800 copies being distributed worldwide.

- Identified and promoted the manufacturing opportunity in the province for investment castings. This included implementation of a study aimed at updating and expanding market information.

- Continued to work with the Federal/Provincial Capital Projects Committee, whose objective is to maximize industrial benefits from major private capital projects.

- Worked with farm implement manufacturers and the Prairie Implement Manufacturers Association to explore new markets and business development opportunities.

Financial Sector

During the 1986/87 fiscal year, this sector:

- Worked toward implementation of the Alberta Government Position and Policy Statement on Enhancing the Alberta Capital Market.

- Promoted and provided advice on the Alberta Stock Savings Plan. The plan received Royal Assent in September 1986.

- Developed research papers on ownership of the securities industry and the regulation of financial institutions.

- Provided input on the concept of the junior capital company.

- Participated in a Pacific Rim investment promotion mission.

- Assisted in the development of financial assistance programs.

- Provided counselling to more than 100 Alberta companies concerning investment matters, sources of capital, the Alberta Stock Savings Plan and financial affairs.

Investment Promotion Sector

During the 1986/87 fiscal year, this sector:

- Co-ordinated and participated in investment promotion missions to Hong Kong, Singapore, Tokyo, West Germany, Austria, Switzerland and Hungary, including the Hannover Fair in Hannover, West Germany, and the Canada Days Promotion in Oldenburg, West Germany.
- Organized the Alberta representation at the Opportunities Canada Conference in Toronto, Ontario.
- Organized and hosted a major ministerial oil and gas mission from Hungary, an investment fact-finding mission of West German parliamentarians, a major mission from the Cologne Savings Bank of Cologne, West Germany, a major mission of prominent Hong Kong businesspeople and an investment fact-finding mission from the Netherlands.
- Assisted international groups and individuals seeking trade and investment related information and/or joint-venture partners.
- Promoted the Business Immigration Program to target regions, particularly Hong Kong. In 1986, the recorded net worth of approved applicants from Hong Kong to Alberta was $42.4 million.
- Promoted the Investor Category of the Business Immigration Program. As of March 1987, eight specific proposals and eight privately administered investment syndicates have been approved under the Investor Category for a total of over $91 million.

Calgary Office

During the 1986/87 fiscal year, the Calgary office:

- Expanded its departmental contacts within the city's business community.
- In co-operation with the Calgary Economic Development Authority, worked with a number of firms to establish new operating facilities in Calgary. These new businesses will initially create over 150 jobs.

Small Business Development Division

- **Small Business Assistance Branch**
- **Regional Business Development Branch**
- **Research and Analysis Branch**

Comprised of the Small Business Assistance Branch, Regional Business Development Branch and Research and Analysis, the Small Business Development Division's objectives are to:

- Increase the survival rate and profitability of new and existing businesses.
- Increase the number of new business formations.
- Enhance community and regional economic growth compatible with local resources and opportunities.

To accomplish these objectives, the division provides management counselling and information services to small businesses, communities, investors and governments. Assistance is also provided in community economic development and in business site location. Public demand for services in each of these areas has continued at high levels throughout the fiscal year.

Significant events and initiatives of 1986/87 include development of an Alberta Small Business Term Assistance Plan, Community Economic Development Programs, the continued development of a Federal/Provincial/Territorial Small Business Data Base and participation in a national review of small business financial issues.

Small Business Assistance Branch

The main objective of the branch is to assist and counsel individual entrepreneurs, existing businesses, new businesses and community organizations in order to stimulate business development. The type of assistance provided includes one-on-one business counselling by in-house professional staff, group management assistance through private sector consultants, a series of self-help business guides and brochures, as well as specific industry information data.

Highlights for the 1986/87 fiscal year include:

- Provision of various types of assistance by branch staff to 24,129 clients, an increase of 31.3 per cent over the previous year.
- Participation of 635 businesses representing 32 communities in the Management Assistance Program (M.A.P.).
- Participation of 136 businesses in specialized one-day workshops on topics such as salesmanship, advertising, cost controls and display.
- Distribution of 167,260 copies of branch guides, brochures and informational literature during the year.
- Provision of $407,500 in grant funding to various organizations such as the Small Business Week Committee, Junior Achievement and Alberta Wildlife Park Foundation.

Regional Business Development Branch

The branch promotes regional economic development through community economic development and business development assistance. Services include assistance in community economic planning, dissemination of economic and business development information, and delivery of government programs through the regional office network.

Highlights for the 1986/87 fiscal year include:

- Providing counselling advice or information to 11,988 business and community groups.
- Assisting and advising communities on organizing and planning for community economic development initiatives (i.e. Chambers of Commerce, economic development committees or boards, economic development strategies and action plans).

- Participating in "Initiatives '87", a local economic development workshop directed at over 30 communities in the Edmonton Metro and surrounding areas.

- Assisting numerous communities in developing strategies for attracting new businesses to their communities.

- Researching and advising on various approaches/instruments of regional economic development for their application to Alberta communities (i.e. development strategies for single industry communities, business incubators as economic development tools).

- Providing economic information to 69 businesses seeking new business locations in Alberta and co-ordinating an information exchange between these businesses and 226 Alberta communities.

- Providing advisory support to a number of organizations including the Conference Society of Alberta, Alberta Small Business Week Organizing Committee, Northern Development Agreement Advisory Committee and the Alberta Planning Board.

Research and Analysis Branch

Research and Analysis's key areas of responsibility are program development, policy analysis, research projects and data development and dissemination.

Highlights for the 1986/87 fiscal year include:

- Providing business information to over 1,000 private sector requests.

- Participating in a joint government/private sector task force on Small Business Financing Issues.

- Participating in the development of a national small business data base.

- Co-ordinating studies related to small business financing and community business development programs in Europe.

Planning and Services

- **Strategic Planning Division**
- **Transportation Services Division**
- **Financial Programs Division**
- **Alberta Agency for International Development**
- **Futures Compendium Secretariat**
- **Small Business Equity Corporation (SBEC)**
- **Communications Division**

Strategic Planning Division

Responsible for the general area of economic development policy, the Strategic Planning Division has as its mandate to develop strategies and recommend elements for programs related to the broad areas of diversification, business development, trade and investment. The division co-ordinates the department's policy recommendations on economic development issues, particularly those which cross divisional and departmental lines. The major objectives of the Strategic Planning Division include:

- Developing detailed economic strategies including the assessment of economic performance and the identification of potential opportunities and challenges.
- Assessing the effects of economic policies on specific sectors of the Alberta economy.
- Meeting requests for economic and market information by such means as demand studies, regional economic base investigations and cost-benefit analysis.
- Providing support services and input for decisions affecting industry and the business community in general.

Key responsibilities include:

- Providing strategic direction on economic development issues including opportunities for diversification, business development, trade and investment.
- Recommending appropriate policies for encouraging economic development in the province and co-ordinating the department's policy positions on economic development issues.
- Analyzing and evaluating the economic impact on the Alberta economy of changing international, national and provincial economic conditions as well as federal and provincial policies and programs and proposed new economic initiatives.
- Undertaking and co-ordinating economic research activities of the department; preparing briefing materials for ministerial and deputy ministerial conferences; and evaluating and developing provincial positions on federal and provincial economic issues and making recommendations where appropriate.
- Preparing short and medium-term assessments of the economic development prospects for Alberta and the implications for individual sectors relative to national and international conditions.
- Developing and delivering business and economic information for and to the private and public sectors. This includes processing information requests and the development of publications and appropriate information systems.

The Strategic Planning division is comprised of three directorates:

- Sector Policy Directorate – evaluates individual sectors within the Alberta economy by assessing their economic prospects and opportunities and recommending policies and programs which will help these industries adapt to a rapidly changing international economy.
- Trade Policy Directorate – identifies barriers to trade so as to develop strategies to address those barriers and recommends policies which will improve market access and increase the competitiveness of the Alberta private sector.
- Domestic Policy Directorate – co-ordinates domestic policies relating to federal regional programming, deregulation, foreign investment and other areas which can provide the optimal environment for economic development in the province.

Activities for the 1986/87 Fiscal Year include:

- Federal/Provincial Task Force on Regional Development Assessment – identifying approaches and measures which have and will be effective in achieving the goals of regional development in Canada.

- Federal/Provincial Task Force on Investment and Interprovincial Trade Barriers - reducing and, where possible, eliminating interprovincial barriers to trade in government procurement, liquor board marketing practices, labour mobility and norms and standards.

- Alberta/Canada Economic and Regional Development Agreement (ERDA) - pursuing joint planning and co-ordination Subsidiary Agreements with the federal government as set out in the annual Alberta/Canada Economic and Regional Development Agreement (ERDA) Course of Action.

- Bilateral Free Trade Negotiations/Multilateral Trade Negotiations - developing policy positions to increase and secure access to the United States and other markets, thereby providing a basis for expanded exports and increased investment.

- Trade Strategy - participating in the development of a joint National Trade Strategy with other provinces and the federal government.

- Trade Irritants and Customs Complaints - co-ordinating Alberta's response to trade actions initiated in export markets and to customs complaints brought by the private sector.

- Diversification Policy - examining concepts and ideas designed to further diversify the Alberta economy and making recommendations on how diversification can best be achieved through policies and programs.

- Alberta's Competitiveness in Attracting New Investment - reviewing policies on free trade zones, special economic zones, business immigration, taxation and other investment measures.

- Tax and Regulatory Reform - supporting efforts to simplify the federal tax system and continuing the process of regulatory reform and paperburden reduction.

- Procurement Policy - making recommendations for a more equitable distribution of federal procurement expenditures to support economic development objectives.

- Services Database and Profile - undertaking research on the Alberta service sector to establish an information baseline and identify strengths important to further development and diversification.

- Co-ordination of Economic Development - supporting efforts to foster greater co-ordination of activities in economic development, diversification and trade among government departments.

- Economic Impact Analysis - providing an economic development perspective to resource management and environmental issues as part of interdepartmental review processes.

- Industrial Location Factors - evaluating industrial location factors important to Alberta's competitiveness and recommending remedial action where required.

- Research and Analysis - undertaking studies to produce information on potential opportunities related to the manufacturing and service sectors.

- Trade Statistics - developing a federal/provincial agreement on a process to improve the quality of provincial export statistics.

- Investment Canada/Business Immigration Review - co-ordinating the interdepartmental review of investment applications under the provisions of the Investment Canada Act and the review of business plans under the Business Immigration Program.

- Publications - co-ordinating the development of publications for use by the private sector including: **Alberta Manufacturers Index, Consulting Index, Alberta Industry and Resources, Alberta Profile, Doing Business with the Alberta Public Sector, Country Profiles,** and **International Trade: Alberta Export Performance.**

- Federal/Provincial Ministers/Deputy Ministers Meeting on Regional Economic Development and Trade – providing support and recommendations to ministers and deputy minsters regarding federal/provincial meetings on regional economic development and trade.

Transportation Services Division

During the past few years, Alberta resource products and manufactured goods have been faced with declining prices and severe worldwide competition. These factors, combined with Alberta's geographic position (1,000 km away from efficient water transportation), create unique challenges for the transportation system. Improved transportation efficiency is of paramount importance to Alberta industry in retaining existing markets and expanding into new ones.

Recent economic history shows that economic prosperity is closely linked to the expansion of foreign trade. Small local markets make it imperative for Alberta producers and manufacturers to export. The mandate of the Transportation Services Division is to ensure the availability of an adequate transportation infrastructure and services to help meet this challenge.

The objectives of the division are to:

- Ensure that infrastructure development and maintenance meets Alberta's requirements, and that passenger and freight services adequately meet present and future needs in an efficient and economic manner.
- Make recommendations on transportation policies and regulations to assist industry in keeping transportation-related costs and obstacles to a minimum.
- Encourage innovation in the transportation sector in order to better serve existing and new markets.

In order to pursue these objectives, the division maintains ongoing contact with industry, municipalities and counties; providers of transportation-related facilities and equipment; and provincial, federal and foreign government officials. The world-wide character of Alberta's trading patterns also requires the monitoring of international trends and development in transportation matters.

The need for a more efficient, low-cost transportation system has also been recognized by the federal government through the introduction of new transportation legislation (Bills C-18 and C-19). These initiatives aim to increase competition and reduce regulation in various sectors of the Canadian transportation industry. In order to ensure that the needs of Alberta's transportation users were met by the new federal legislation, the division has undertaken extensive policy review and analysis to make several submissions to the federal government.

Transportation Economics and Analysis

This section specializes in the pricing of transport services, methods of estimating transportation costs and transportation economics.

Primary responsibilities of the section are to:

- Evaluate, recommend policy and initiate action on freight rate structures, regulations and pricing techniques of the various modes of transport.
- Evaluate, recommend policy and initiate action on costing methodology, transportation policy and regulations where these affect the public interest.
- Provide and analyze freight rate, traffic and cost data for the department and the public.

Major issues addressed during the 1986/87 fiscal year included:

- **National Transportation Act**

  In 1986, the Federal Minister of Transport tabled new legislation to provide economic regulatory reform of the Canadian transportation system. The legislation, designed to create a new National Transportation Act, was initially introduced in June 1986 as Bill C-126.

  Various provincial submissions were prepared in response to the legislation including a technical paper addressing the original bill and a major two-part submission and presentation to the Federal Standing Committee on Transport concerning Bill C-18. Based on extensive liaison with affected parties, a position was developed that supported the legislation on the basis that it would enhance competition within the transportation system wherever possible and provide regulatory protection whenever necessary.

- **Western Coal to Ontario**

  The Premiers of Alberta, British Columbia, Saskatchewan and Ontario, together with the Deputy Prime Minister, appointed a task force to promote use of western coal in Ontario's utilities and industries. One main obstacle to increased use of western coal is the high transportation cost making this product non-competitive in eastern Canada. The Transportation Services Division is participating in working to improve the technology and economics of moving coal by rail and/or pipeline.

- **VIA Rail Costing Review**

  VIA Rail Canada asked federal regulatory authorities to investigate possible overcharges by CN and CP for VIA's use of their facilities. The Government of Alberta, along with the other provinces, made a submission supporting a fair allocation of rail costs for all users.

- **Lower Freight Rates for Grain Transportation**

  In December 1986, CN and six grain companies applied to the Canadian Transport Commission (CTC) to lower freight rates for grain transportation from some 47 points in Western Canada. The Transportation Services Division co-ordinated and prepared Government of Alberta involvement in this case. The result was the extension of lower grain rates to all qualifying points on CN which can load 18 or more cars.

Freight Transportation Services

This section focuses its activities on the development and improvement of freight transportation services for Alberta shippers to domestic, United States and offshore markets. Additionally, the section provides an ongoing Physical Distribution Program targeted to small businesses based in the province.

Major projects for the 1986/87 fiscal year include:

- **Alberta Forest Products Shippers' Association**

  Support was provided to private sector companies in the creation of an industry shippers' association. Through the association, shippers benefit from economies-of-scale necessary to achieve efficient and economical transportation.

- **Pipelines**

  In conjunction with Expo '86, the division sponsored a highly successful international Pipeline Symposium in Vancouver, British Columbia. The symposium featured speakers and participants from various parts of the world to discuss existing and evolving pipeline technology.

- **Alberta Physical Distribution Program (APDP)**

  This ongoing project has gained wide acceptance in the small business community. Twenty workshops/seminars were held during the year with participants representing some 250 companies. Significant distribution cost savings were identified by participating companies.

- **Alberta Intermodal Services Ltd. (AIS)**

  The innovative container distribution system created by the Government of Alberta commenced operations on January 2, 1986, between Calgary/Edmonton and Vancouver. The service reduced intermodal container rates by an average 30 per cent and received enthusiastic support from Alberta exporters. The success of the operation is evident from the initial year's container volume of over 19,000 20-foot equivalent units (TEUs). The shipping public continues to benefit from the lower rail rates introduced by AIS.

- **Export Highway to the United States**

  In order to increase Alberta exports to the United States, an improved north-south transportation system was identified. To facilitate a more efficient trucking system, a divided highway from Nanton to Coutts has been recommended. Changes to regulations governing the length and weight of trucks has also been recommended.

Agricultural Transportation

This section is responsible for identifying transportation requirements in agriculture which would maximize economic development opportunities in Alberta. It conducts research, prepares policy recommendations and provides policy direction for the implementation of transportation-related policy significant to agriculture.

Major issues addressed in 1986/87 fiscal year included:

- **Western Grain Transportation Act - Method of Payment**

  Resulting from support by Alberta producers for a change in the method of paying the federal Crow Benefit Funds, the Province of Alberta requested the opening of bilateral negotiations with the federal government to work towards implementing a producer payment in Alberta.

  This reform would encourage more value-added processing and livestock feeding by Alberta producers leading to greater diversification of the agricultural economy. A producer method of payment would lead to a lower cost and a more efficient grain handling and transportation system.

  The Alberta Task Force on Method of Payment, was established to assist in developing the Alberta strategies and technical proposal for consideration by the federal government. An advisory committee of MLAs was designated to assist in the process.

- **Prince Rupert Grain Terminal**

  The grain terminal in Prince Rupert achieved grain export volumes around four million tonnes during the 1986/87 crop year. This volume exceeded the terminal's original design capacity and confirms the superior design parameters which make Prince Rupert Grain Terminal II one of the most efficient grain terminals world-wide. Alberta provided 80 per cent of the financing for its construction. The terminal provides additional export capacity on the west coast and allows western farmers to take advantage of the approximately $25/tonne higher return over east coast exports.

- **Hopper Cars**

  In the 1986/87 fiscal year, Alberta Heritage Savings Trust Fund hopper cars transported 1.2 million tonnes of grain or 4.2 per cent of the total grain tonnage

moved for sale. The Alberta cars also assisted in the winter rail program by moving grain east of Thunder Bay to the ports of Montreal and Quebec City.

- **Grain Handling and Transportation Innovations**

  The Agricultural Transportation section assisted in examining alternatives for handling and transporting grain in the Valleyview area of Alberta.

  The study examined several types of off-track elevators, a container system and trucking compensation. The report was forwarded to the Senior Grain Transportation Committee for consideration.

  Since the report was released for consideration, Alberta Wheat Pool and the federal government have entered into an agreement to provide an off-track elevator at Valleyview and a transfer facility at Grande Prairie, Alberta.

  In addition, this section worked with the implementation/evaluation committee of the Central Western Railway. This short-line private railway purchased the former CN Stettler Subdivision and is operating its train service between Ferlow Junction north of Camrose to Dinosaur at the junction of the Oyen Subdivision (100 miles). The objective is to achieve continuation of this rail service through lower overhead expenses and streamlined service.

Passenger Transportation

This section is responsible for surface and air passenger modes of transportation. The main objective is to ensure that Alberta has the best passenger transportation system possible for the movement of Albertans within the province and businesspeople and tourists to and from the province. In addition, land use issues and the development and promotion of innovative transportation equipment and operations issues are administered by the section.

Major projects for the 1986/87 fiscal year included:

- **Air Deregulation: National Transportation Act**

  A major policy paper was submitted to the federal government stating the position of the Government of Alberta on substantive issues. The most important aspect was the positioning of the demarcation line at 55° North Latitude to afford protection and regulation for communities north of the line. This decision was based on consultation with all major northern communities. Over the next few years, service levels will be monitored and initiatives with the communities will be made to improve and maintain vital air links.

- **Air Services: United States Free Trade Negotiations**

  An Alberta position paper on air services was produced based on industry consultation and benefit/cost assessment of the impact of free trade on Canadian airlines and on the important tourism industry.

- **Fort Saskatchewan Railway Relocation**

- The CN mainline tracks through Fort Saskatchewan are being relocated to the northwest of the city. The vacated lands will be developed to complement an integrated downtown land use plan.

- **Lethbridge Railway Relocation**

  The redevelopment of lands released under the 1980 Lethbridge railway relocation project is almost three-quarters completed.

Financial Programs Division

The Financial Programs Division provides general supervision of various government financial initiatives to enhance the economic development and diversification of Alberta. The mandate of the division involves the establishment of programs for financial

assistance to the private sector and the review of proposals submitted on a special/extraordinary basis. This latter form of assistance is structured to meet the particular needs of a qualified applicant and may take the form of loans, grants, investments or loan guarantees.

The division makes recommendations to the government on new or revised financial programs to enhance the economic development of the province.

The division administers the following programs:

- **Export Services Support Program**

  Provides conditional grants for feasibility studies, bids or tenders to approved companies pursuing contracts outside Alberta. Since the inception of the program in April 1985, $5.4 million has been committed to companies involving export potential of approximately $2 billion.

- **Export Loan Guarantee Program**

  Provides support to Alberta-based businesses to enable them to be more competitive in obtaining export sales, both interprovincially and internationally. Since the inception of the program in 1984, approximately $56 million of guarantees in the aggregate have been issued resulting in potential export sales of $300 million during the life of the program.

- **Small Business Equity Corporations Program**

  The program provides grants of 30 per cent of the equity investment to stimulate the formation of private sector capital throughout the province. This equity is used to provide small businesses with improved access to such funding.

- **Product Development Program**

  The program assists Alberta manufacturers by providing grants to share the costs of product development. This initiative enables manufacturers to enhance the marketability of Alberta-made products. The $250,000 program assists 10-12 Alberta manufacturers a year.

- **Alberta Small Business Term Assistance Plan**

  The program made available $1.1 billion of lowered interest rate, fixed-term loans from three to 10 years to eligible Alberta small businesses. Approximately 12,000 applications were processed.

- **Market Development Assistance Program**

  This program financially assists Alberta businesses with accommodation, travel and display equipment costs in the exploration of new markets for export. Approximately $750,000 of assistance was provided to 500 Alberta businesses during the year.

- **Special/Extraordinary (Ad Hoc) Proposals**

  The division was involved in reviewing approximately 155 proposals involving requests totalling in excess of $2 billion.

Alberta Agency For International Development

The Alberta Agency for International Development (AAID) represents the government's response to the outstanding generosity of the people of Alberta through their donations to Non-Governmental Organizations (NGOs) engaged in international development work. In 1986/87 the people of Alberta contributed over $20 million to the NGOs.

The program provides matching financial assistance to the NGOs in support of economic and social development projects undertaken in less-developed countries (LDCs). A wide variety of projects received financial support in 1986/87 including such developmental activities as primary health care, employment creation, provision of clean drinking water, literacy programs, vocational

and formal education/training, food production, reforestation, transportation and communications.

Projects were implemented in African, Asian and American (Carribean, Central and South America) countries. Humanitarian assistance was also provided to alleviate the plight of refugees and the suffering caused by natural disasters.

A detailed report on the Agency's activities in 1986/87 is provided in its annual reviews.

Highlights for 1986/87 fiscal year include:

- Providing $6,516,924.00 in matching project funds.
- Providing financial assistance to 92 NGOs participating in the program.
- Supporting 366 projects.
- Providing 75 less-developed countries with assistance through the program.

Futures Compendium Secretariat

The Futures Compendium Secretariat mandate is to gather, interpret and disseminate information on the long-term course of the global economy. The secretariat works closely with an advisory council of business leaders and other private sector representatives. The work undertaken assists the department in the gathering of strategic intelligence and in alerting Alberta business to threats and opportunities posed by economic, social and technological change.

The primary focus of the Futures Compendium is to ascertain long-term trends in the global economic environment, while constantly assessing implications for the development of Alberta.

Major accomplishments for the 1986/87 fiscal year include:

- Development and presentation of alternative long-term scenarios for the global economy as an input to departmental strategic planning.
- Analysis of major trends and structural change for a variety of sectoral issues.
- Assessment of business opportunities created by selected technological innovations.

Key projects for the 1986/87 fiscal year include:

- An investigation of foreign investment intentions based on accumulated surpluses by Japan.
- Research to improve understanding of long-term economic cycles and innovation clustering.

Small Business Equity Corporation (SBEC)

The Small Business Equity Corporation was created to stimulate the formation of privately capitalized and managed pools of equity capital which would be available for investment in small businesses.

Since the inception of the program in May 1984, $53 million in grants and tax credits have been provided to 373 registered Small Business Equity Corporations with total capitalization of $185 million.

The SBEC "matching" program, which attempts to bring together potential investors and firms seeking equity capital, has had an excellent public response.

Highlight for the 1986/87 fiscal year include:

- Of the 373 registered SBECs, 266 have made 340 investments in small businesses totalling $81 million. The kinds of businesses include: agriculture, construction, manufacturing, retail/wholesale, service and transportation/communication. This resulted in the creation of 2,169 new full time jobs and 752 part time jobs.

Communications Division

The Communications Division is responsible for assisting the department with public communications. It provides consulting and co-ordinating services on how to inform the public of new or revised programs, policies and economic trends. The division does this by means of communication planning which can include news conferences, advertising, publications, audio/visual materials or displays.

The Communications Division also assists the department in co-ordinating communications materials for missions, conferences and seminars.

Another function of the division is to act as a liaison with the media, providing them with information on the latest developments within the department and addressing any concerns.

Accomplishments of the 1986/87 fiscal year include:

- Updated, redesigned and reprinted approximately 30 publications.
- Developed and produced five new publications in response to identified informational needs.
- Produced audio/visual presentations on the fashion, equine and furniture industries to assist trade directors in encouraging trade and investment in these industries.
- Assisted in the development of displays for department presentations at 15 trade expositions in Canada and around the world.
- Developed and assisted the department with new strategies to improve the effectiveness of Alberta's trade show promotions through more targeted presentations.
- Created, developed and implemented advertising strategies for over 20 events or programs.
- Developed and implemented a communications strategy for promoting Alberta's fashion industry across Canada. The strategy included a fashion video, poster, media kit and fashion directory that listed the names of Alberta designers and manufacturers. It also included a program that made it possible for Alberta fashion designers to participate in the Festival of Canadian Fashion in Toronto.
- Re-designed the department's Venture magazine and started production on the summer issue. The magazine will showcase Alberta's successful and innovative business efforts and keep decision-makers informed of government and private sector initiatives.
- Produced annual reports for the Alberta Agency for International Development, the Alberta Opportunity Company and the department.
- Researched and answered public requests for information and materials relating to the department.
- Researched and prepared articles for newspapers and magazines across Alberta and in different locations around the world.
- Researched and developed publications for all trade missions and trade events sponsored by the department.

Administration and Finance Division

Administration and Finance Division

The Administration and Finance division provides central support services to the department's operating divisions through six line sections: Financial Services, Financial Planning and Procurement, Systems Group, Library, Central Services and Records Management Services. The specific support functions provided by each section are:

Financial Services

- Provides central accounting services including the establishment and maintenance of accounting records for the department.
- Develops and implements internal controls which conform to accepted accounting practices; provides recommendations and implements financial policies and procedures established by the department's senior management.
- Processes grants, employee expense accounts and vendor accounts for payment, ensuring compliance with the Financial Administration Act and other government acts and regulations.

Financial Planning and Procurement

- Participates in short- and long-term financial planning, prepares the annual departmental budget and obtains additional or alternative sources of funding when the need arises.
- Prepares financial management information reports including quarterly and annual expenditure forecasts, analyses financial information and monitors expenditures throughout the fiscal year.
- Provides guidance in the formulation of contracts and agreements and monitors payments made under such contracts and agreements.
- Prepares ministerial orders and assists line divisions with drafting orders-in-council, acts and regulations.

Systems Group

- Develops the departmental Electronics Data Processing (EDP) Plan and coordinates the activities described in the plan.
- Provides assistance in the acquisition and operation of office automation and data processing hardware, software and services.
- Designs and implements approved data processing systems including the maintenance of the Company Information System.

Library

- Provides central library services in support of departmental and client information needs.
- Acquires reference material for clients including the access of information from public data bases.

Central Services

- Provides administrative support services, including accommodation management, parking, security, central stationery store, telecommunications, mail and courier services.
- Provides assistance in receiving visitors, planning receptions, banquets and special events.

Records Management Services

- Develops policies and procedures in support of the department's records management program.

- Provides for the orderly maintenance, storage and disposition of departmental records.

Achievements for the 1986/87 fiscal year include:

- Planning and co-ordinating the conversion from the AFIS financial system to the new DFS/CFS financial system.
- Implementing procedures which significantly improved the efficiency of departmental cheque handling processes.
- Providing assistance in establishing the budget and acquiring space, equipment, supplies and required services for the Small Business Term Assistance Program.
- Planning and implementing the conversion of the library card catalogue to a computerized catalogue system.
- Assisting in relocation of the Edson and Peace River Regional Offices to new premises.
- Planning and co-ordinating the conversion of departmental records to a standard file classification system; providing training and consultative services to line divisions.

Human Resources Division

Human Resources Division

The Human Resources Division provides advice and assistance to all levels of the department regarding effective utilization of our human resources. Assistance is also provided to ensure that statutory and procedural requirements are met.

Key areas of responsibility include recruitment and selection, position classification, salary and wage administration, organization development, human resource planning and utilization, employee counselling, occupational health, employee information, employee relations, staff development and performance appraisal systems. Consulting services are provided in response to downsizing, redeployment, organizational structuring, the equal opportunities program and other issues affecting the environment, roles and needs of staff.

At the conclusion of the 1986/87 fiscal year, the department's staff establishment was 330.4 person-years broken down as follows:

	Person-Years
Permanent Positions	253.0
Non Permanent Person-years	77.4
	330.4

Highlights for the 1986/87 fiscal year include:

- Assisting with the establishment of the Small Business Term Assistance Plan including organization design, job design, classification, recruitment and training of staff.
- Providing in-house training in supervision, job search and career development.
- Revamping and rationalizing position numbers and staff establishment control.
- Automating information systems for position control, updating of job descriptions and staff development histories of employees.
- Implementing the Employee Flexibility Assistance Program including the early retirement incentive plan.
- Administering and managing 101 recruitment actions as well as temporary staff recruitment activity.
- Reviewing and processing 114 position classification requests.
- Administering salary and wage operations including the preparation and processing of all payroll documentation.
- Providing advice and assistance to management on organization and job design, redeployment and downsizing and other organization issues.
- Working with the line co-ordinator and committee members in the further development of the departmental equal opportunity program.
- Providing assistance and advice to management and supervisory staff on employee relations matters.

Statistical Appendix

Alberta Economic Development and Trade
Budget Estimates, Special Warrants and Expenditures
Classified by Vote and Sub-Program
Fiscal Year 1986/87

	1986/87 Original Budget $	Prior Year Liabilities $	Special Warrant $	Funds Transfer $	Total Authorized $	Expended $
VOTE 1 – DEPARTMENTAL SUPPORT SERVICES						
Sub-Program 1 – Central Support Services						
Minister's Office	279,900			28,100	308,000	224,160
Deputy Minister – Development and Trade	289,800			4,901	294,701	295,044
Deputy Minister – Planning and Services	226,800			5,262	232,062	231,473
Administration Division	2,012,243			(35,651)	1,976,592	1,884,550
Human Resources Division	292,755			11,000	303,755	301,049
Communications Division	198,428			30,536	228,964	211,285
Financial Programs Division	529,159			(13,614)	515,545	465,038
Total Sub-Program 1	**3,829,085**	–	–	**30,534**	**3,859,619**	**3,612,599**
Sub-Program 2 – Planning and Economic Analysis						
Strategic Planning Division	1,700,663			(45,498)	1,655,165	1,499,308
Futures Compendium	529,200			14,964	544,164	491,736
Trade Task Force	985,000				985,000	719,808
Total Sub-Program 2	**3,214,863**	–	–	**(30,534)**	**3,184,329**	**2,710,852**
TOTAL VOTE 1	**7,043,948**	–	–	–	**7,043,948**	**6,323,451**

	1986/87 Original Budget $	Prior Year Liabilities $	Special Warrant $	Funds Transfer $	Total Authorized $	Expended $
VOTE 2 – DEVELOPMENT OF BUSINESS AND INDUSTRIAL PROGRAMS						
Sub-Program 1 – Industry Development	4,467,657			211,960	4,679,617	4,555,915
Sub-Program 2 – Trade Development	6,571,085			(142,007)	6,429,078	5,805,344
Sub-Program 3 – Small Business Development	4,271,947			(90,624)	4,181,323	3,887,177
Sub-Program 4 – Transportation Services	2,984,628			(187,051)	2,797,577	2,509,518
Sub-Program 5 – Promotion of Trade and Tourism	–			207,722	207,722	168,739
TOTAL VOTE 2	18,295,317	–	–	–	18,295,317	16,926,693
VOTE 3 – FINANCIAL ASSISTANCE TO ALBERTA BUSINESS						
Sub-Program 1 – Financial Assistance Via Alberta Opportunity Company	14,705,910			(1,225,769)	13,480,141	13,434,300
Sub-Program 2 – Financial Assistance Via Equity Corporations	8,943,315		8,719,900	79,688	17,742,903	9,618,815
Sub-Program 3 – Financial Assistance to Exporters	3,500,000	–	–	–	3,500,000	1,616,037
Sub-Program 4 – Financial Assistance for Product and Market Development						
Market Development Assistance	750,000			214,471	964,471	757,500
Product Development Assistance	250,000			(19,702)	230,298	225,393
Total Sub-Program 4	1,000,000	–	–	194,769	1,194,769	982,893
Sub-Program 5 – Small Business Term Assistance	945,000			951,312	1,896,312	1,537,435
TOTAL VOTE 3	29,094,225	–	8,719,900	–	37,814,125	27,189,480

	1986/87 Original Budget $	Prior Year Liabilities $	Special Warrant $	Funds Transfer $	Total Authorized $	Expended $
VOTE 4 – FINANCING ECONOMIC DEVELOPMENT PROJECTS						
Sub-Program 1 – Transportation Infrastructure						
Rail Relocation – Fort Saskatchewan	100,000				100,000	100,000
Container Port	425,000				425,000	
Total Sub-Program 1	**525,000**	**–**	**–**	**–**	**525,000**	**100,000**
Sub-Program 2 – New Industrial Development Projects						
Medical and Pharmaceutical	5,600,000		340,000	1,960,000	7,900,000	7,900,000
Energy	2,686,156			(2,686,000)	156	
Total Sub-Program 2	**8,286,156**	**–**	**340,000**	**(726,000)**	**7,900,156**	**7,900,000**
Sub-Program 3 – Expansion and Consolidation Projects						
Sturdi-Wood Ltd.	20,500,000		2,400,000		22,900,000	20,600,000
Weldwood Canada	3,500,000			(200,000)	3,300,000	3,300,000
Alberta Stock Exchange				426,000	426,000	425,872
Procter and Gamble Cellulose Ltd.	2,000,000				2,000,000	
X L Food Systems Ltd.				500,000	500,000	
Total Sub-Program 3	**26,000,000**	**–**	**2,400,000**	**726,000**	**29,126,000**	**24,325,872**
	34,811,156	–	2,740,000	–	37,551,156	32,325,872
Less: Capitalized as a voted non-budgetary disbursement	(30,886,156)	–	(2,740,000)	–	(33,626,156)	(28,725,872)
TOTAL VOTE 4	**3,925,000**	**–**	**–**	**–**	**3,925,000**	**3,600,000**
VOTE 5 – INTERNATIONAL ASSISTANCE						
Administrative Support	113,300				113,300	109,045
Financial Assistance	7,000,000				7,000,000	6,516,924
TOTAL VOTE 5	**7,113,300**	**–**	**–**	**–**	**7,113,300**	**6,625,969**
DEPARTMENT TOTAL 1987	**65,471,790**	**–**	**8,719,900**	**–**	**74,191,690**	**60,665,593**
DEPARTMENT TOTAL 1986[a]	**69,144,730**	**(2,995,942)[b]**	**24,770,777**	**375,794[c]**	**91,295,359**	**79,884,879**

FOOTNOTES:

a) The 1986 figures have been restated where necessary to conform to the 1987 presentation.

b) In accordance with section 32 of the Financial Administration Act, the original estimates have been charged with liabilities of the prior fiscal year to the extent they exceeded the available authority.

c) Transferred from the salary contingency fund.

Alberta Agency for International Development's Contribution to Non-Governmental Organizations

	1984/85		1985/86		1986/87	
	Projects	$	Projects	$	Projects	$
Adventist Development & Relief Agency (ADRA)	18	129,447	15	99,816	12	76,445
Aga Khan Foundation Canada	4	513,000	6	358,920	6	427,684
Alberta CGIT Association			1	7,800		
Alberta Teachers' Association	2	19,650	2	12,910	2	9,100
Anglican Primates' World Relief and Development Fund	5	62,583	7	76,130	9	77,447
Baptist Union of Western Canada	1	50,000	2	58,108	1	34,329
Bishop Budka Charitable Society			2	5,000		
Bob Hoover Evangelistic Association, Inc.	1	1,017	1	1,243	1	2,858
Calgary Inter-Faith Community Action Association	2	5,683				
Camrose International Institute	4	2,540	5	8,480	8	12,923
Canada World Youth			1	5,440	1	4,423
Canadian Catholic Organization for Development and Peace (CCODP)	55	377,159	21	571,735	22	235,248
Canadian Crossroads International	3	16,000	2	8,048	2	12,745
Canadian Executive Service Overseas (CESO)	1	10,494	1	5,624	1	4,153
Canadian Hunger Foundation	3	167,607	1	15,854	1	26,690
Canadian Institute of Cultural Affairs	1	5,349	1	3,555	1	3,300
Canadian Jesuit Missions	2	49,739	2	32,319	2	28,892
Canadian Lutheran World Relief	20	326,085	25	298,855	38	362,188
Canadian Mission Board of the German Church of God	1	12,850	1	9,530		
Canadian Organization for Development through Education (CODE)	4	59,110	3	26,893	1	30,993

Alberta Agency for International Development's Contribution to Non-Governmental Organizations

	1984/85		1985/86		1986/87	
	Projects	$	Projects	$	Projects	$
Canadian Organization for Rehabilitation through Training (ORT)	2	121,330	1	75,758	1	70,392
Canadian Red Cross Society	1	35,739	5	801,394	6	263,792
Canadian Save the Children Fund (CanSave)	8	157,883	5	125,253	3	101,606
Canadian UNICEF Committee	11	501,500	11	401,922	8	450,000
Canadian University Service Overseas (CUSO)	9	54,430	12	57,308	8	35,709
Canadian Vision Caravan	3	26,827	2	13,087	2	21,116
Cardinal Leger and His Endeavours	4	61,093	1	10,730	1	7,995
CARE Canada	2	197,430	2	179,345	1	151,999
Change for Children Association of Alberta	12	77,125	9	50,328	11	53,425
Children of Islamic Nations (COIN)	1	3,250			1	4,054
Christian Children's Fund of Canada					17	229,145
Christian Indigenous Development Overseas (CIDO)					1	5,213
Christian Reformed World Relief Committee of Canada	3	343,000	3	165,205	3	198,766
Church of the Nazarene	4	68,600	2	31,273	3	39,301
Colombian Volcano Relief Society					1	2,000
Compassion of Canada	7	195,628	5	127,658	5	100,796
Co-operative Development Foundation	7	5,419				
Council of India Societies of Edmonton	1	36,598	1	22,483	2	7,681
The Edmonton Gospel Temple	1	23,429			1	10,115
The Edmonton Korean Association	1	3,302				
Emmanuel Relief & Rehabilitation International	3	97,189	1	26,666	1	25,299

Alberta Agency for International Development's Contribution to Non-Governmental Organizations

	1984/85		1985/86		1986/87	
	Projects	$	Projects	$	Projects	$
Evangelical Fellowship World Relief Canada					1	26,955
Fame Pereo Institute	1	4,753	1	2,139	1	1,214
Farmers for Peace					6	77,544
Foster Parents Plan of Canada	9	1,437,224	3	500,000	3	450,000
Friends of the Lord's Ranch	1	1,250			1	242
Frontiers Foundation Inc.	1	14,500	1	15,800	1	10,588
Good Shepherd Charitable Foundation					1	8,622
Gl[illegible] Food Bank Association			1	7,222		
Grant MacEwan Community College Foundation					1	3,000
Gujarati Mandal of Calgary	1	2,500				
Handia Baba East West Children's Hospital and Foundation					1	3,500
Help the Aged	7	24,926				
HOPE International Development Agency	7	205,139	5	237,276	8	205,698
Horizons of Friendship	4	52,686	1	39,500	3	32,883
Inter Pares	3	25,215	1	21,056	2	37,790
International Child Care (Canada), Inc.	1	5,970	1	4,730	1	3,252
International Needs Canada			2	13,000	1	14,000
Jamaican Hospital and Medical Society					1	45,000
Karaoun Community Association					1	25,000
L'Arche Association of Edmonton	2	2,103	1	867	1	576
Lefaivre Family Charitable Foundation					1	11,996
TLM The Leprosy Mission of Edmonton	2	46,000	3	30,403	1	21,053
The Maranatha Evangelistic Assoc.					1	13,000
MATCH International Centre	8	9,592	3	7,027	1	6,167

Alberta Agency for International Development's Contribution to Non-Governmental Organizations

	1984/85		1985/86		1986/87	
	Projects	$	Projects	$	Projects	$
The Matthew Twenty Five Society					1	4,285
Mennonite Central Committee (MCC)	11	596,174	3	236,340	4	313,522
Mennonite Economic Development Association (MEDA)			1	4,680	1	2,541
Mission Aviation Fellowship of Canada	2	40,695	3	30,830	1	26,000
Mission Possible (Canada)	1	11,424	1	11,280	1	13,345
Moral Re-Armament			1	430		
Moravian Mission Development Fund	1	5,900	1	1,030		
North American Baptists Inc.					1	6,667
Olds College Alumni Association			1	1,500	1	323
Operation Eyesight Universal	12	362,145	6	226,706	7	224,787
Oscar Romero Catholic Missionary Society of Edmonton	1	1,350				
OXFAM Canada	13	43,093	13	73,200	17	194,650
The Pentecostal Assemblies of Canada	9	358,717	8	262,854	7	166,637
Plenty Canada	4	18,923	2	5,697	2	14,189
The Presbyterian Church in Canada	6	57,685	8	42,615	4	22,197
Project Concern Alberta			2	6,179		
PTL World Aid and Development Alberta					1	10,000
PTL World Missions Canada	2	25,827	3	20,350	2	18,971
Pueblito Canada, Inc.	3	14,563	2	12,455	1	10,856
Rotary District 536 Development Society	4	28,000	4	29,377	7	37,725
Sahakarini Inter-World Education and Development Association	2	14,750	1	14,150	1	10,066
The Salvation Army	3	49,910	4	39,509	2	29,592
Save A Family Plan	2	48,892	3	53,175	3	56,903

Alberta Agency for International Development's Contribution to Non-Governmental Organizations

	1984/85		1985/86		1986/87	
	Projects	$	Projects	$	Projects	$
Save Tomorrow Oppose Pollution			1	12,500	1	25,000
Shastri Indo-Canadian Institute	1	15,915	1	7,640	1	4,738
Sisters of Charity of Providence of Western Canada	3	32,500				
Sisters of Holy Cross	1	23,200			2	14,540
Solbrekken Evangelistical Association of Canada	2	18,894				
St. Joseph Save the Children Club	9	18,815	4	18,708	2	7,976
Stirling Vietnamese Refugee Aid Organization (SVRAO)	1	1,500	1	1,000		
Southridge Community Church			1	27,394		
SIM Canada	7	262,179	8	191,174	12	170,565
USC Canada	9	185,570	1	119,167	9	96,681
The United Church of Canada (DWO)	9	215,275	20	219,669	18	178,014
The University of Alberta	6	33,477	7	18,110	6	11,589
The University of Calgary	1	44,690	1	39,898	1	50,000
The University of Lethbridge	1	25,000	3	34,899	1	14,995
Vedanta Society of Calgary			1	3,000		
World Concern Canada Association	5	102,730	1	22,770	2	21,326
World University Service of Canada (WUSC)			1	3,840	1	4,900
World Vision Canada	69	1,287,262	21	528,353	10	450,000
Wycliffe Bible Translators of Canada, Inc.	8	364,000	8	240,997	6	163,661
Y.M.C.A. - Alberta Region	2	15,000			1	3,374
Y.M.C.A. of Edmonton	2	10,000	3	6,850	4	7,663
Y.W.C.A. of Canada	2	6,831	2	6,277	1	2,744
Youth With A Mission Society	1	3,456				
TOTAL	**469**	**9,994,285**	**335**	**7,167,143**	**366**	**6,516,924**